

BOARD OF SUPERVISORS' SPECIAL MEETING MINUTES

The Pima County Board of Supervisors met remotely in special session through technological means at 1:30 p.m. on Tuesday, May 5, 2026. Upon roll call, those present and absent were as follows:

Present: Jennifer Allen, Chair
Steve Christy, Member
Andrés Cano, Member

Absent: Dr. Matt Heinz, Vice Chair
Rex Scott, Member

Also Present: Jan Leshar, County Administrator
Daniel Jurkowitz, Assistant Chief Civil Deputy County Attorney
Melissa Manriquez, Clerk of the Board
John Stuckey, Sergeant at Arms

1. PLEDGE OF ALLEGIANCE

All present joined in the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT STATEMENT

The Land Acknowledgment was delivered by Supervisor Cano.

BOARD OF SUPERVISORS

3. Opposing Tucson Electric Power Rate Increase Resolution

RESOLUTION NO. 2026 - 25, of the Board of Supervisors, opposing the proposed rate increase by Tucson Electric Power (TEP). (District 3)

Chair Allen stated that Pima County filed to intervene in the TEP rate case before the Arizona Corporation Commission (ACC), which was holding evidentiary hearings that week, as well as the next and would conclude on May 12th. She noted this special meeting was timely because it would provide guidance to the County's attorneys on the finer details of that intervention. She stated that the County would also be able to provide some of their evidence and would be able to participate in cross-examination and be on the record during the evidentiary hearing phase. She noted the rate case was filed on the day of this Board's decision on Project Blue. She added that constituent calls that her office received most often involved utility rates and people struggling to pay their bills, and that this was a critically important opportunity for the Board to be able to respond to some of the basic needs that constituents and residents of the County faced.

Supervisor Christy requested a point of order and asked whether a motion was needed for discussion of the item.

It was moved by Chair Allen and seconded by Supervisor Cano to adopt the Resolution. No vote was taken at this time.

Chair Allen noted that an amended resolution had been submitted on April 30th that provided greater specificity than the original and included support for the State Attorney General's recommendation of a 4% rate increase. She added that the Attorney General had done a lot of analysis into what was an appropriate rate increase and came up with the approximately 4% rate increase. She stated that the amended resolution supported the Attorney General's findings. She added that the resolution also opposed the Annual Rate Adjustment Mechanism (ARAM). She stated that ARAM would allow TEP to go back before the ACC every year to request rate increases, and those requests would not be discretionary and although utilities often touted that the ARAM could result in rate reductions, as well as increases, examples of reductions were practically non-existent. She clarified that if the resolution was approved by this Board, they would be opposing the 14% rate increase and opposing the ARAM, and would be in support of a 4% rate increase and supporting the percentage based low-income assistance program. She indicated that TEP's current low-income program provided a fixed amount of \$20.00 a month but that the proposed program would provide a percentage-based discount to those earning approximately 200% of the federal poverty level. She stated the resolution also supported Rider 23, which allowed individual metering for mobile home park tenants and that it created a deferred payment program for mobile park tenants who wanted to convert properties to individually metered systems. She stated the upfront costs would be about \$300.00 to \$500.00 per unit and then fixed-per-unit monthly costs for ten years thereafter, and the benefit to the operators was that the ownership and maintenance responsibility of the electrical infrastructure would be done by TEP. She stated that the District 2 office had submitted a supplemental item that was specifically about master metering and supported what was in the rate case, and that submittal was included in the four components that were critical to the resolution. She offered a friendly amendment to her motion to include those additions to the proposed resolution.

Supervisor Cano accepted the friendly amendment as seconder to the motion.

Supervisor Cano thanked Chair Allen for bringing the resolution forward for the Board's consideration and ensuring that the County's position was made known before the ACC set rates in partnership with TEP. He stated that over the last several weeks his office received an unprecedented amount of communication regarding the proposed 14% increase by TEP that was based on their cost benefit analysis that showed this was what TEP needed, based on the investments they had made in the community. He stated that he would always stand on the side of the ratepayers and would ensure that this Board was good fiscal stewards of people's money, especially working families. He stated that the community was living in tremendously difficult times where costs were skyrocketing, especially at the pump, and noted that ratepayers, with one utility in the entire region, did not have the ability to use any other service. He added that this was an opportunity to send a strong message that the proposal needed to be denied and that it was

prudent for the County to be on the side of ratepayers, especially with a company that had reported over \$200 million in profits last year.

Supervisor Christy stated that he did not like higher electric bills any more than he liked higher property taxes, especially when there were so many County roads still in disrepair, but he could not remember any Attorney General suing Pima County on behalf of property owners being forced to pay higher property taxes. He stated that there were a number of initiatives in place regarding bringing your own energy to projects that might consume more energy or might have an effect on rates, and that TEP was retrofitting coal burning plants to natural gas and it had to be paid for, and that was the cost of the Green New Deal. He stated there were numerous incidents of this entire issue, due to TEP dragging its feet while retrofitting and that there was a process governed by the ACC with public hearings and he urged the Board to allow that process to move forward. He noted that the Attorney General's Office had many other better projects than involving itself with some utility rate increase and that he would vote against the resolution.

Supervisor Cano stated that for the record, the Green New Deal was never passed by the Senate.

Upon the vote, the motion, as amended, carried 2-1, Supervisor Christy voted, "Nay," and Supervisors Heinz and Scott were absent.

4. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 1:47 p.m.

CHAIR

ATTEST:

CLERK